

AMENDED IN SENATE APRIL 30, 2003

SENATE BILL

No. 176

Introduced by Senator Johnson

February 12, 2003

An act to add Section 11752.9 to the Insurance Code, relating to workers' compensation insurance.

LEGISLATIVE COUNSEL'S DIGEST

SB 176, as amended, Johnson. Workers' compensation insurance: classification: notice.

Existing law authorizes a rating organization, as defined, to inspect risks for classification or rate purposes in connection with workers' compensation insurance, and to furnish to the insurer and, upon request of the employer and after notice to the insurer, to furnish to the employer full information concerning the rates applicable to the employer's insurance.

This bill would require a rating organization to ~~notify~~ *provide written notification to a policyholder at the time it provides that notification to the insurer* if it imposes a change in the classification assignment of the policyholder, and would provide that a rating organization may satisfy this requirement by furnishing the policyholder with a copy of the notice that it provides to the insurer regarding the change in classification assignment.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 11752.9 is added to the Insurance Code,
2 to read:
3 11752.9. Notwithstanding subdivision (d) of Section
4 11750.3, a rating organization shall ~~notify a policyholder~~ *provide*
5 *a policyholder with written notification* if it imposes a change in
6 the classification assignment of the policyholder. *The written*
7 *notification shall be provided to the policyholder at the same time*
8 *that it is provided to the insurer.* A rating organization may satisfy
9 this requirement by furnishing the policyholder with a copy of the
10 notice that it provides to the insurer regarding the change in
11 classification assignment.

